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Pig Crop Bigger Than Expected

JUNE livestock surveys revealed that the 1948 spring pig crop was only 3 percent below last spring and that breeding intentions indicate about as many sows for fall farrowing as last year.

Spring farrowings, however, exceeded expectations. The number of sows farrowing was down only 8 percent from last year in contrast with a drop of 11 percent indicated by breeding intentions reports last December. In addition, the decrease in sows farrowing was offset to a large extent by a near-record number of pigs saved per litter for the spring season. Favorable weather during the peak farrowing months helped bring the number saved per litter this spring to 6.44 pigs as compared with an average of 6.23.

The 1948 spring pig crop turned out to be 51,421,000 head—down about 1.4 million head from 1947. It was the smallest spring crop since 1941 and about 1½ million head below the 1937–46 average.

Breeding intentions point to about the same number of sows farrowing this fall as last. These intentions fall short of the goal set by the Department of Agriculture which called for a 10-percent increase in fall farrowing. The number of sows intended for fall is relatively large considering the relationship of hog and corn prices that has prevailed so far this year. The hog-corn price ratio has been below average since May 1947. In most years when hog prices are low relative to corn prices a decrease in spring farrowings has been followed by a decrease in fall farrowings.

Apparently, hog producers look for a more favorable price relationship between hogs and corn this fall when the 1948 corn crop is harvested. Fewer livestock and poultry on farms to utilize 1948 feed crops is an incentive to maintain hog production. At the same time, the outlook for feed is good. Early season forecasts of oats and barley production are encouraging and the corn crop was off to the best start in several seasons.

With an average number of pigs per litter the 1948 fall pig crop should reach 31 million head. This would

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OUTLOOK HIGHLIGHTS

ECONOMIC ACTIVITY in the U. S. continues at record levels with few signs of weakening. Factories are turning out goods at a near-record rate. Unemployment in May was down to 1.8 millions, the lowest of any month this year. Consumer incomes are being upped by third-round wage increases. Prices generally are rising.

HIGH LEVEL activity is supporting an exceptionally strong demand for farm products. The index of prices received by farmers in mid-June were back up to within 4 percent of the January record—2 percent above May. Prices of meat animals set a new record; poultry and eggs hit a new peak for June. Truck crops, grains and cotton declined.

Although crop prospects indicate another year of heavy production, price declines as harvests are gathered are likely to be small. Chief exception is likely to be feed grains. If corn crop is as much above last year as prospects indicate, feed prices are likely to decline substantially.

The index of prices paid by farmers including interest and taxes moved up one point in June, the record of 251 set in January. The parity ratio was up 2 points from May to —.

WHOLESALE PRICES generally are also advancing. By the middle of June, the Bureau of Labor Statistics index was near the January record. Retail prices are now higher than in January in urban communities.

Increasing consumer incomes and greater spending for national defense and foreign aid indicate wholesale prices are likely to continue upward. Demand is likely to be greatest for durable goods such as cars, houses, furniture, and refrigerators.

According to a Federal Reserve Board Survey, consumers at the beginning of this year intended to buy about as much of these goods as they intended a year earlier. While consumers with incomes below $3,000 per year planned to buy less than in 1947, those with higher incomes said they would buy more.

MEAT ANIMAL and meat prices, generally at record levels, may rise further this summer and early fall as meat production drops seasonally. Meat output is running around 10 percent less than a year earlier.

Demand for meat continues unusually strong. No slackening is expected because of high rate of consumer incomes.

DAIRYMEN are likely to receive record prices through most of the rest of 1948, as demand for milk and other dairy products is expected to stay high.

Dairymen have sold less milk and butterfat so far this year than in 1947 but prices have averaged considerably higher. Cash receipts from dairying have been running well above last year; so have costs.

EGG PRICES were near support levels in mid-June but slightly higher than a year earlier. Purchases for price support have been small since new program was started in May.

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Pig Crop Bigger Than Expected

(Continued from p. 1)

bring the 1948 total pig crop to 82.4 million head which would be 2 percent below the 1947 crop. A combined crop of that size would be the smallest since 1940, and about 5 percent below average.

Market Hogs Faster

Hogs from last fall's pig crop have been marketed at a faster rate than a year earlier. Even though the 1947 fall pig crop was larger than the previous year, the rate of marketing was fast enough to bring the number of hogs over 6 months ago on farms June 1, 1948 down 2 percent compared with the same date last year. With a small inventory on June 1, hog slaughter for the next four months—June through September—is expected to be smaller than the same period last year.

The outlook for meat production brightened somewhat with the favorable outturn of the spring pig crop. The decrease in pork production this fall and winter will not be as large as was indicated earlier. Most of the decrease will show up in the last quarter of 1948. Later marketings of hogs are expected because of later farrowings, holding hogs to feed on the new crop of corn, and finishing them to heavy weights. There is a good possibility that the inventory of hogs on farms January 1, 1949 will be as large or slightly larger than last year if intentions for 1948 fall farrowings are carried out and the size of the litters are about equal to the 10-year average.

More Pork Likely Next Year

With January 1 inventories at this level, pork production in the first 9 months of 1949 should compare favorably with this year. If good feed crops and relatively high hog prices encourage feeding hogs to heavier weights, pork production in the first 9 months of 1949 may even exceed 1948. The same conditions would encourage a noticeable increase in the 1949 spring pig crop. As a result, pork production in the last quarter of 1949 might be larger than in the same period of 1948. Thus, pork production for the year 1949 stands a good chance to exceed 1948, depending mainly on the final outcome of 1948 feed crops.

On a seasonal basis, 1949 pork production would be less than in 1948 in the second quarter. It is not likely that marketing of hogs from the fall pig crop before June 1 next year would be as fast as this year. With about the same size fall pig crop the number of hogs 6 months old and over on June 1, 1949 should be larger than this year. Thus hog slaughter from June through September 1949 would also be higher.

Meat production is currently running below last year. Any reversal of this downward trend in the next year or so must come about by an increase in pork production, as prospects are for continued decreases in beef, veal, lamb and mutton for some time to come. Inventories of cattle and sheep have been moving downward. Available supplies of feeder cattle and lambs are lower which will tend to limit the volume of feeding, although good feed prospects would result in more cattle fed this coming season. Lamb feeding will be held down by a limited supply of feeder lambs.

Smaller Total Supply

While pork production in 1949 has a good chance to exceed 1948, the larger pork output is not likely to offset smaller production of beef, veal, lamb and mutton, even with a substantial increase in the 1949 spring pig crop. If the present downward cycle of cattle numbers continues through 1949 and 1950 slaughter of cattle and calves in 1949 would continue to be heavy in relation to inventories, but the output of beef and veal would be less than in 1948. Under these conditions the decrease in total meat output in 1949 would be slight.

On the other hand, if cattle numbers do not decrease in 1949 and hold about the same level at the end of 1949 as at the beginning of that year, slaughter of cattle and calves in 1949 will show a larger drop compared with 1948 and the output of beef and veal would be down accordingly. Total meat output under these circumstances would be down even more.

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COTTON STUDY SHOWS WAYS TO CUT MACHINE STRIPPER LOSSES

SOME of the farmers on the high plains of Texas who are using mechanical strippers waste more cotton than others, but generally the loss from stripping cotton by machine is not much greater than from picking by hand.

This conclusion was reached in a study made during the 1947 harvest on 20 farms in Lynn, Lubbock, and Lamb Counties of Texas, on which the single-roller, tractor-operated stripper was used. This study is one of a series on the economics of mechanized cotton production which is being made by the Texas Agricultural Experiment Station, A. & M. College of Texas, and the Bureau of Agricultural Economics under the Research and Marketing Act.

Researchers learned several important things about how to avoid wasting cotton when harvesting with mechanical strippers. They not only studied the problem under actual field conditions on the 20 farms but talked with other growers, county agents, other Government workers, farm implement dealers, and ginners. This information will be valuable to farmers in the Texas high plains who have machines, are planning to buy them, or expect to purchase planting equipment suitable for mechanized cotton production. Last year, farmers in the area bought about 1,500 mechanical strippers.

Causes Vary by Farms

As might be expected, the reasons for losses varied greatly from farm to farm. Generally though, the extent of waste from harvesting with mechanical strippers depended on: 1. the type of cotton grown; 2. the condition of the field at the time of harvest; 3. the skill of the machine operator.

Type of cotton: Waste on farms growing storm-resistant cotton was usually smaller than on those growing the other types. Storm-resistant cotton is better adapted to machine stripping because the plant has fewer and shorter branches. Cotton of this type does not string out as the season advances or shatter at harvest time as much as cotton of the normal-boll types. Losses from mechanically harvested storm-resistant cotton ranged from 2 to 8 percent compared with 1 to 20 percent in fields of normal-boll types. Researchers at the Texas Agricultural Experiment Station and private breeders are trying to develop varieties of cotton that would be still better adapted to machine harvesting.

Condition of the field: Fields must be carefully prepared to get best results with the mechanical stripper. Planting in 40-inch rows is advisable since strippers are set at this width at the factory. If a row of another width is used, the stripper should be set to exactly that distance or losses will be large. Once a row width has been chosen, planting equipment to fit it should be obtained.

Littered Fields a Problem

Fields littered with weeds, stalks and leaves from previous crops and trash are hard to harvest with machines. One way to help keep trash out of the way of the stripper is to ridge rows slightly, leaving the middles level. Leaves and squares from the plant will then tend to collect between the rows instead of staying around the base of the plants. Another way to help avoid loss is to set the gauge wheels on the stripper high enough to clear most of the trash or clods but low enough so that the lower bolls will enter the stripping units.

Skill of the operators: The ability of the man behind the tractor's steering wheel plays a big part in keeping losses low. Experience helps a lot, of course, but during last season several beginners did an excellent job. The operator must first of all be a good tractor driver. He must set his speed according to the size, type, and condition of the plants and the conditions of the field. Some of the largest losses on the farms studied resulted from driving too fast.

Keeping the machine on the rows is a problem for beginning operators.

Sometimes they try to guide the tractor by watching first one stripper unit and then the other. Each time they glance from one row to another, they tend to pull the tractor in that direction. Once they get the machine off of the rows, some distance is usually traveled before they can get back on and cotton losses result.

Best way for operators to avoid this is to look 20 to 30 steps ahead of the tractor with only an occasional glance at the stripper units. This is hard to do, but once they get the knack, operators find it helps keep the machine on the rows. Expert operators say that after awhile they are able to tell by the "feel" whether everything is going properly.

Fields properly prepared at the last cultivation will help the operator. Middles left level or with a slight ridge down the center make it easier to guide the tractor.

Winds Cause Waste

The winds that sweep across the Texas high plains often cause waste by blowing the cotton over the side of the trailer. To prevent this, a hood should be placed over the elevator where it opens into the trailer. This can be made of canvas, burlap, tin, or heavy screen wire.

This study shows that waste from mechanical stripping on the Texas high plains is not much larger than from hand picking. The usual loss from mechanical stripping on the farms studied was 2 percent for storm-resistant types and 6 percent from normal-boll types. Losses from hand harvest are usually small before frost but are estimated to be about 3 percent after frost when the machine stripper is ordinarily used.

The future probably will bring improvement in the waste record of mechanical strippers. As experience is gained, improved machines will be built. Farmers will learn more about how to use their machines more effectively and the know-how of tractor operators and other workers will improve.

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Postwar Gain in Farm Population Halted Last Year

The postwar increase in the U. S. farm population was halted in 1947, joint estimates made by the Bureau of Agricultural Economics and the Bureau of Census show.

In January of this year, about 27,439,000 people were living on farms, about the same number as a year earlier, 2,249,000 more than the wartime low of 1945 but about a tenth fewer than in April 1940 when the last census was taken.

Little Change in 1947

Although the total number of people on farms varied little during 1947, important changes took place. Three quarters of a million babies were born to farm families—the largest annual natural increase since 1925—while deaths totaled 267,000. Nearly a million persons are estimated to have moved to farms during the year while more than a million and a half moved away.

The gain in population since 1945 has been largely due to the high birthrate in recent years and to demobilization. In 1945, many ex-farmers were in the armed services or working in war plants.

Youths Decline Most

The bulk of the decline in farm population from 1940 to 1947 was accounted for by youths under 25 years of age. Older age groups numbered about the same despite substantial increases in these groups in the total population.

Considerably more farm residents were employed in nonagricultural industries in 1947 than in 1940. This largely resulted from greater opportunities for nonfarm work during and after the war and to the displacement of farm labor by machines. In addition, many workers in cities and towns are now living on farms and commuting to work because of the housing shortage.

Is Now the Time to Buy Land?

A PROMINENT economist once said that "of all the factors influencing the success or failure of a farmer the biggest one was when he was born."

He had in mind the farmer who succeeded largely because he reached maturity at a time when land prices were low. He was able to buy a farm and pay for it during a period when prices of farm products and farm incomes were rising. He also had in mind the farmer who had the misfortune to start his career of farm ownership by buying high-priced land and having to pay for it during periods when prices of farm products were falling.

Other Opportunities Good

Unfortunately, a certain number of young men are ready to start farming each year regardless of land prices. After a war, the number of young men starting farming is even greater. However, it is possible to avoid unwise land investments. When land prices are high, other opportunities of employment are usually good. Young prospective farmers can often find good jobs either inside or outside of agriculture. Perhaps more important, they can often operate farms as tenants or managers at a good rate of return for their efforts and without the risks of farm ownership.

Of course, it is not always unwise to buy land at high prices. In some cases, the income in the next few years may pay for all or at least a large part, of the purchase price. Farmers who buy additional land may find it increases the efficiency of the entire unit more than enough to justify the price. Exceptionally skilled farmers may be able to make the farm pay despite a high land investment. Some, of course, may run into an exceptional bargain. But for the bulk of the farmers, purchases of land at high prices may lay the ground work for future financial trouble.

A farm, unlike most business, is not only a means of earning a living but it also is a home. When one buys a farm he buys both. The value of the farm as a home depends upon such things as the comfort of the house, nearness to schools, churches, stores, electricity, good roads, markets and other facilities, and the desirability of the neighborhood as a place to live.

Future Incomes Yield Value

As a business, however, the land and buildings have value because they will yield a future net land income. This income can be compared to the net rent the farmer would expect to receive if he were planning to be a landlord instead of an operator. It would be the total amount of rent minus taxes, repairs and upkeep on land and buildings, insurance, and other such expenses. The chief problem facing the man who is thinking of buying is whether the price of such land and buildings is in line with that income.

One way the farmer can translate future net incomes he expects to receive into approximately the price he can afford to pay now is to divide this income by the rate of interest he would want for the money he invests. Among the things he will want to consider in fixing this interest rate is the return he could get from using his money in some other way. For instance, he might loan it to some other farmer on a farm mortgage at 4 or 5 percent. Another thing is that buying a farm involves more risk than lending on a mortgage for a mortgage is usually only about 50 percent of the value. To pay for such a risk, the farm buyer may want an additional 1 percent or more. The greater the risks in the farming enterprise, the greater the rate should be. For instance, there are greater risks in one-crop farming than in general farming. In this case, he may want to add 2 percent instead of one.

Need Estimate of Income

Here is the way the formula works out. Assume that a farmer who is thinking of buying estimates that the future net income from the land will average $10 an acre and that he would

want 7 percent interest. The value of the farm as a business would be $10 divided by 7 percent or $143 per acre. If he estimates his future net land income at $6 per acre, the land would be worth $86 per acre. Where prospects indicate high net land incomes in the immediate future years this method may give a price that is a little low.

The most important and difficult part of such method of arriving at the value of a farm is, of course, estimating the future net land incomes. No farmer knows for certain what this will be. That will depend upon the size of his crops, the prices they will bring, and the prices he has to pay for those things that he must buy.

In the past, farm costs have tended to catch up with farm income during periods of inflation and net incomes were reduced even though prices received for farm commodities stayed high. Many farmers are already experiencing some difficulties from this squeeze. When the downturn comes, furthermore, costs are likely to drop more slowly than the prices of farm products. Under such conditions farmers' net incomes are likely to shrink faster than their gross receipts. Obviously, the closer we come to the time when incomes will decline the less favorable it becomes to buy land.

Optimistic During Inflation

The Bureau of Agricultural Economics makes estimates of the trend of both land values and net rents. A study of relationship of the two shows that in periods of inflation buyers of land usually are overly optimistic and pay higher prices than are warranted by prospects of future net land income. Furthermore it is evident that farm buyers can only guess what future income trends will be and consequently tend to project current incomes as being most probably in the future.

Based on an interest rate 1 percent higher than the average mortgage rate, net rents for the next 10 years would have to stay as high as they were in 1946, and more than 3 times higher than the 1935–39 average to justify the current land values. Furthermore, after the next 10 years net land incomes would have to be at the same level as the 1910–47 average. This would include 2 periods of very high income.

Take a Second Look

Take another assumption that net land incomes in the next 10 years will follow the trend of the 1920's but at a level 57 percent higher and will then stabilize at the 1910–47 average. Under this assumption, land purchases during the past year will prove to have been on a less favorable basis than at any time since the early 1930's. Moreover, land purchases in the immediate future will be less favorable than current ones.

Farm land values in the United States now average as high as in 1920 when they reached their peak in the land boom following World War I. In more than half the States, land values exceeded this boom time peak and are the highest on record. These factors should cause prospective farm buyers to take a second look at future net land income as it relates to current land values, before they buy.

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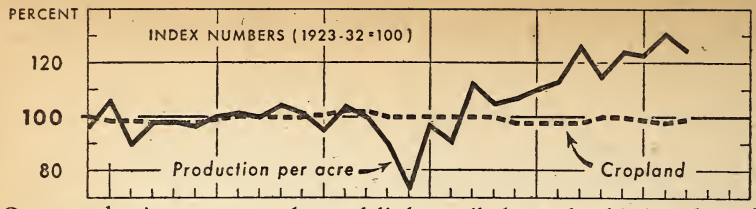
Cotton Supplies Most Of U. S. Fiber Needs

Cotton still supplies almost 60 percent of the nation's textile needs, but rayon consumption reached an all-time high in 1947 of nearly 1 billion pounds, or more than 12 percent of total fiber requirements, according to a survey made by the Southern Regional Research laboratory of New Orleans.

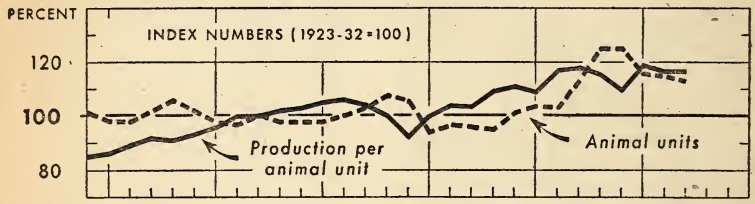
Consumption of synthetic fibers other than rayon last year—nylon, glass fiber, casein fiber and synthetic resin fibers—totaled about 50 million pounds last year, 35 million below the 1946 level and only 0.7 percent of the national total.

Cotton accounted for 58.7 percent of total consumption in 1947. Other fibers which helped to supply last year's textile demands were—wool, 10.1%; jute, 9.9%; hard fibers such as sisal and Manila hemp, 7.5%; flax, 0.3%; silk, 0.1%; and soft hemp, 0.1%.

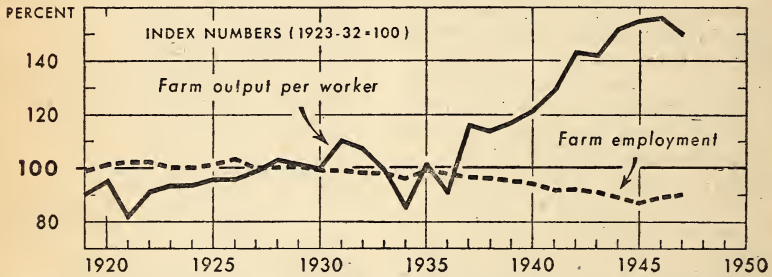
From 1919 to 1947...



Crop production per acre changed little until the early thirties, dipped sharply during the 1934 and 1936 droughts, and then climbed rapidly. The amount of cropland remained about the same.

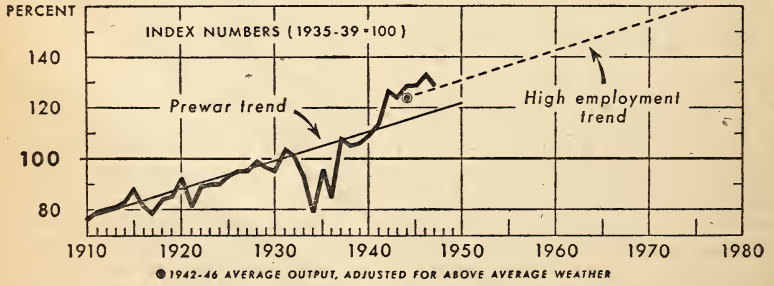


Livestock production per breeding unit rose steadily until 1931, turned downward until 1934, and then advanced to new highs.



The number of farm workers has continued the long-time downward trend. Since 1935 farm output per worker has soared.

From 1947 to 1975



Farm output is likely to continue to rise. Chart shows trend from 1910 to 1947 (1935–39 = 100) and the probable course in the future if employment stays high. Even under unfavorable conditions, the trend is likely to be upward though at a slower rate.

Bigger Farm Production Ahead

This is second in a series of articles based on a report prepared by BAE for the House Commitee on Agriculture.

DURING the next generation, U. S. farmers will continue to provide enough meat, grains, milk, fruits, vegetables, cotton, and other products to adequately feed and clothe our rapidly growing population. At the same time, they will be able to maintain soil resources providing a continuing emphasis is placed on conservation.

Our agricultural production always has shown a strong tendency to increase. Since 1910, farm output in the United States has risen more than two-thirds and is now about 30 percent above the 1935–39 average. If we have relatively prosperous conditions during the next quarter century, farm production will increase as fast as, or slightly faster than, our total population. Under less prosperous conditions, farm output would increase less rapidly. In any event, production prospects are such that per capita consumption can at least be maintained at about current near-record levels.

Increased output per worker, per acre and per animal have been associated with the past rise in farm production (see accompanying charts). Rapid strides in farm mechanization also have contributed much to the increase in output of farm products for human use.

Technology Trend Important

The course of agricultural production in future decades will depend chiefly on the trend in farm technology and the rate at which farmers adopt improved production practices. Productivity of plants and animals will increase further, and output per acre and per animal will rise. Even greater use of fertilizer, lime, improved varieties of seeds, improved strains of livestock, and better-balanced rations will make this possible.

Drainage, irrigation, and expanded use of soil-conserving and soil-building practices will add to the volume of farm output. But there is likely to be relatively little net addition to our cropland during the next two or three decades. Although several million acres will be brought in through irrigation, drainage, and clearing, some of the poorer land will be retired from crop production.

To Use More Machines

Farmers will continue to shift to machine power. Since 1918, more than 55 million acres of cropland have been released from production of feed for horses and mules to production of food and fiber for human use. In the next generation, 15 to 20 million acres more probably will be similarly released.

High levels of economic activity would have a much greater effect in increasing farm production than lower levels would have in decreasing it. If economic activity is at some intermediate level over the next generation, however, it would be a definite drag on the rate of increase in farm output. There would be less incentive for increasing the practices that involve considerable cash outlay. Even so, it is doubtful if farm output would be reduced more than 5 to 10 percent below what would be expected with high level economic activity over the decade 1965–75.

Further rises in output per worker, per acre, and per animal, together with increased mechanization, will mean more efficient production as well as a greater volume of output. For at least the next two or three decades, progressively fewer numbers of farm workers should be able to produce an adequate supply of farm products for our increasing population.

GLEN T. BARTON,
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Marketing Margins Take Most Of Your Shoe Dollar

AN AVERAGE of about 85 cents out of every dollar consumers spent for shoes in recent years was accounted for by marketing margins, a study made by the Bureau of Agricultural Economics shows.

These margins cover charges for assembling, selling, and processing hides and skins and storing, financing manufacturing, and retailing the finished product. Costs of hides and skins used in the shoes accounted for about 15 cents of the consumer's dollar.

The largest part of the consumer's shoe dollar goes to manufacturers. Analysis of 1940 census figures show that they received an average of 36.2 cents in 1939. Retailers got 35 2 cents, tanners 10.2 cents and wholesalers 4.7 cents. Costs of hides and skins used accounted for 13.7 cents.

Profits Take 7.4 Percent

These margins broken down by costs show that wages and salaries paid by manufacturers and distributors accounted for about 47 cents of the consumer's dollar paid for shoes in 1939. Advertising took 3.3 cents and other costs 28 cents. Profits made up 7.4 percent of the retail prices of shoes.

The 1939 figures plus several price indexes (see chart) were used as the basis for estimating the marketing margins for shoes from 1935 to 1946. During the 12 years, an average of about 85 cents out of the consumer's dollar paid for shoes went to manufacturers and distributors and the remaining 15 cents was accounted for by the costs of the hides and skins used.

When prices of hides and skins rose during this period, the share of the consumer's dollar accounted for by marketing margins declined. The opposite occurred when prices of hides and skins fell. Since 1941, tanners' margins apparently have decreased while those of wholesalers and retailers apparently have gone up.

Tanners' gross margins—the difference between the cost of the hides and skins used and the prices of the finished leather—averaged about 42 percent of the value of the leather they produced in 1939. These margins have decreased somewhat as prices advanced in recent years. Wages and salaries accounted for a little more than half of these margins. In recent years, wages in the tanning industry have increased relatively more than the productivity of labor. As a result, labor costs per unit have increased. However, the value of the leather also has increased.

Gross margins for manufacturers of leather products in 1939 averaged about 46 percent of the value of all products. Salaries and wages accounted for about 63 percent of these margins. Labor costs per unit and the value of the products have increased. Operating profits of 211 shoe manufacturers averaged 6.4 percent of net sales from 1936 to 1945 and ranged from 3.8 percent in 1938 to 9 percent in 1943.

Profit Share Up

Operating expenses for wholesalers in 1939 averaged about 13 percent of the wholesale value of leather products. Margins for larger firms usually were less than those for the smaller. Administrative and selling expenses are the most important costs, but they have declined in recent years while the share accounted for by profits has gone up.

Retailers gross margins for leather products averaged about one-third of the retail price in 1939 and have increased in recent years. These margins varied with the kind and price of the article, the population of the towns and cities in which stores were located and the type of establishment. Salaries and wages accounted for more than one-half of the margin.

One of the most important uses for figures on the distribution of the consumer's dollar is as a guide to efforts to increase efficiency and cut costs.

For instance, the study indicated that tanners and manufacturers could increase efficiency by installing improved machinery and other equipment in

modernized plants. Plans for obtaining dependable supplies of materials and labor would need to be worked out. Seasonal and year-to-year changes in production would need to be evened out to utilize labor more efficiently. A more uniform flow of products through distribution channels would be desirable.

Wholesalers and retailers could reduce margins by increasing the efficiency of existing agencies, concentrating services in the hands of the more efficient agencies and reducing unnecessary services.

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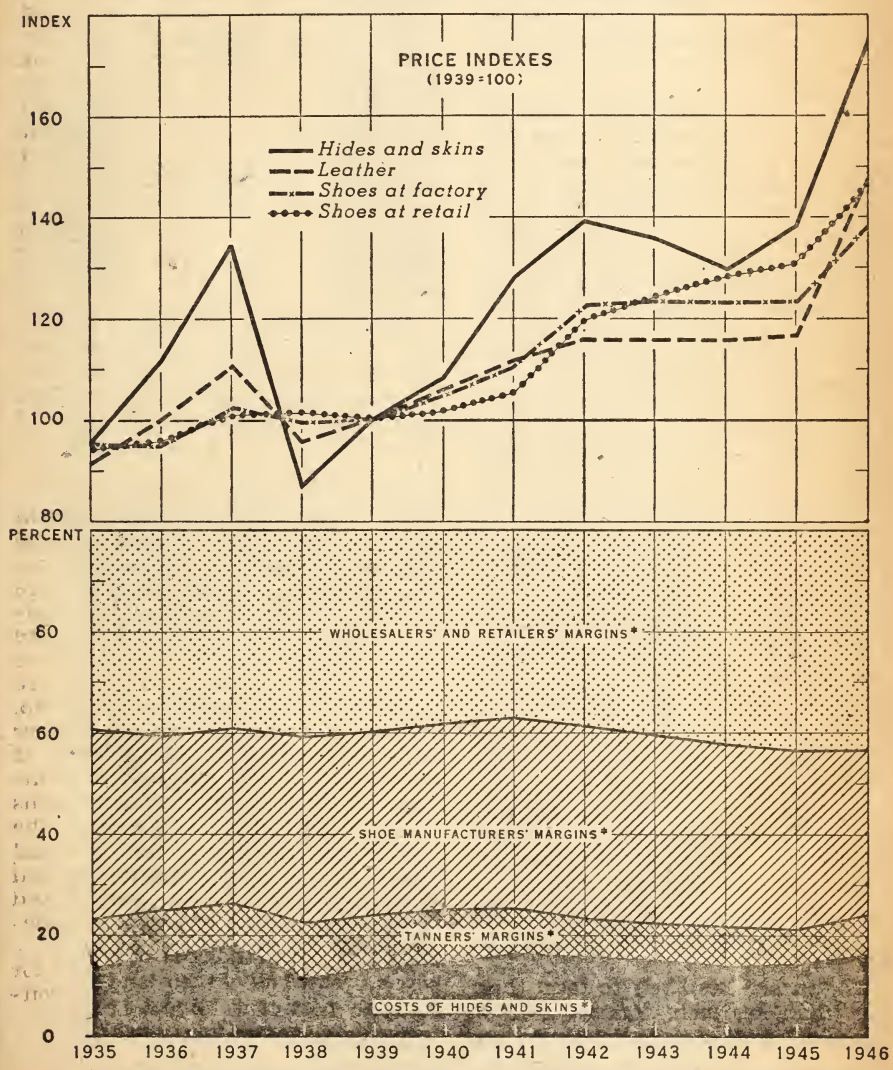
PRICE INDEXES AND APPROXIMATE DISTRIBUTION OF THE CONSUMER'S DOLLAR, PAID FOR SHOES, UNITED STATES, 1935-46



**THE PROPORTIONS ESTIMATED FOR 1939 WERE PROJECTED BACKWARD TO 1935 AND FORWARD TO 1946 ON THE BASIS OF INDEXES OF THE BUREAU OF LABOR STATISTICS FOR WHOLESALE PRICES OF HIDES AND SKINS, LEATHER, AND SHOES AND FOR RETAIL PRICES OF SHOES*

U. S. DEPARTMENT OF AGRICULTURE NEG 46707 BUREAU OF AGRICULTURAL ECONOMICS

Tenth of Farm Land Titles Held By Women

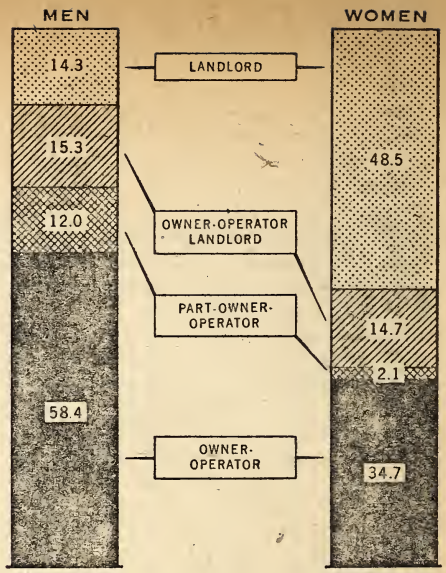
WOMEN have title to only a small part of the farm land in the U. S. held by individuals and those who are owners are more likely to be landlords than operators.

A Nation-wide survey of farm ownership in 1946 showed that only a little more than a tenth of the persons owning land in the U. S. are women. In no region did women average more than 12 percent or less than 9 percent of all owners though there were considerable differences among States. For example, 17.1 percent of the owners of farm land in Nebraska were women, the highest proportion of any State. But only two percent of the individual owners in Nevada were women.

Other States with a high proportion of women owners were: Illinois, Connecticut, South Carolina, Colorado, Georgia, and Kansas. Lower percentages of women owners were found in Delaware, New Jersey, Wyoming, Oregon, Wisconsin, Washington, New Mexico, Montana, Florida, and Utah.

The survey, which is based on information from a sample of 49 000 farm land owners, also shows that women's holdings usually were smaller than those of men. Over the country, women owned about 8 percent of the acres held by individuals. The proportion was smallest in the west and largest in the North Central region. For the country as a whole, women owned an average of 176 acres compared with 243 for men. Average holdings of women were smaller compared with those of men in the South and West than in the Eastern Regions.

Women are less likely to farm their land than are men. Almost half of them rented all of their holdings while nearly 15 percent rented a part. Altogether, women made up slightly more than a fifth of all landlords but the proportion varied considerably among regions. In the North Central region, about 70 percent of all women rented out all of their land compared with only 30 percent in the Northeast. About 35 percent of all women owners farmed their land. Only 2 percent operated some rented land in addition to their holdings.



Above chart shows the differences in the ways men and women use the land they own. In 1946, well over half of the men owners were operators while only 37.4 percent of the women farmed their land.

Men owners who farmed their land outnumbered those who rented about 4 to 1. About 12 percent farmed some rented land in addition to their holdings and about 15 percent farmed part of their land and rented the rest.

Averaging the figures for men and women owners we find that 67 percent of all individuals who owned farm land in the U. S. operated all of it. About one-third were landlords of which 18 percent rented all of their land and the rest only part of it. About 11 percent farmed some rented land plus their own acres.

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4.1 Million Drew Wages in '47

ABOUT 4.1 million persons worked at least some part of 1947 as hired workers on farms and received an average cash wage income of $583.

This information was obtained from a national sample representing 3.4 million persons who worked for wages last year on U. S. farms. In addition to workers covered in the survey, an estimated 700,000 did some farm wage work but no information was obtained on the time they worked or their earnings. This group included children under 14, imported foreign workers, some migratory workers and others. Detailed results of the study will be presented in a forthcoming report of the Bureau of Agricultural Economics.

The hired working force in 1947 totaled about the same as in 1945, the last year of the war, but there were significant changes in its make-up. Hired farm workers included more men between the ages of 16 and 35 than in 1945 and fewer women, boys and older men. Half a million veterans of World War II worked on farms for wages during the year. For half of them, farm labor was their major occupation.

Most Are Seasonal Workers

In 1947, as in past years, the majority of the farm wage laborers were seasonal workers who averaged only a few months of farm wage work. Only 30 percent of the 3.4 million workers covered in the survey reported having more than 150 or more days of farm wage work. However, they accounted for 75 percent of the days of hired farm work done last year. In 1945, only a fourth drew wages for 150 or more days of farm work.

All workers reporting some farm work in the survey were classified according to occupation or activity in which they had spent the most time during the year. Only 1.2 million reported that farm wage work was their main occupation and that they did no nonfarm work. Another 800,000 reported working as their major activity but said they did both farm and nonfarm wage work. Half a million were farm operators who did some farm wage work on other farms in addition to carrying on their own farming operations. A large group who had done some farm wage work for some part of the year said they spent the major part of the year in activities not directly connected with making a living. This included about 400,000 school youths, 300,000 housewives and a miscellaneous group of less than 200,000, mostly older persons.

This information shows the sources from which additional farm workers are recruited as agricultural labor requirements increase from a low in midwinter to peaks in the summer and fall harvests. In order of numerical importance, these sources are: workers who shift from nonfarm jobs, farm operators (including sharecroppers), youths who go to school and homemakers.

Living Costs Up More Than Wages

The average cash wage income of $583 received by both full- and part-year workers included $408 from farm wages and $175 from nonfarm wages. Noncash allowances such as housing, meals and farm products furnished many farm laborers are not included in these figures. In 1945, the average cash wage earned from farm work alone was $324. However, the increase of one-fourth from 1945 to 1947 was more than offset by a 38-percent rise in rural living costs.

Annual average wages for workers who were employed all or most of the year are more meaningful than averages which include part-time workers. Cash wages for full or nearly full-time hired farm workers who did no nonfarm work averaged $705 in 1947. Workers who combined farm and nonfarm work received an average cash wage income of $940. The first group worked an average of 187 days last

year while the latter averaged 195 days and spent more than half of their time at nonfarm work.

Nonfarm Wages Higher

Nearly a million workers switched back and forth from farm to nonfarm wage work during 1947. These workers, who include only those without any income from self-employment, averaged $5.10 per day for nonfarm work and $3.80 for farm work. These were largely seasonal workers relatively few of whom are furnished meals and other substantial perquisites. It is doubtful that the value of the perquisites received entirely offset the differences between farm and nonfarm wages.

According to monthly estimates of the Bureau of Agricultural Economics, the number of hired workers employed on farms this year has been almost exactly the same as in the same months of 1947. Farm wage rates in April were 6 percent higher than in April 1947 but this rise was offset by a similar increase in rural living costs.

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Prices of Farm Products

[Estimates of average prices received by farmers at local farm markets based on reports to the Bureau of Agricultural Economics. Average of reports covering the United States weighted according to relative importance of district and State]

Commodity	5 year average		June 15, 1947	May 15, 1948	June 15, 1948	Parity price, June 15, 1948
	August 1909–July 1914	January 1935–December 1939				
Wheat (bushel)—dollars	0.884	0.837	2.18	2.22	2.11	2.22
Rye (bushel)—do	.720	.554	2.40	2.12	1.91	1.81
Rice (bushel)—do	.813	.742	2.22	3.05	3.11	2.04
Corn (bushel)—do	.642	.691	1.85	2.16	2.16	1.61
Oats (bushel)—do	.399	.340	.915	1.12	1.07	1.00
Barley (bushel)—do	.619	.533	1.50	1.75	1.68	1.55
Sorghum grain (100 pounds)—do	1.21	1.17	2.80	3.58	3.41	3.04
Hay (ton)—do	11.87	8.87	16.00	18.30	17.90	29.80
Cotton (pound)—cents	12.4	10.34	34.07	35.27	35.22	31.12
Cottonseed (ton)—dollars	22.55	27.52	79.60	90.70	92.20	56.60
Soybeans (bushel)—do	[1] .96	.954	3.07	3.74	3.90	[2] 2.41
Peanuts (pound)—cents	4.8	3.55	9 99	10.4	10.4	12.0
Flaxseed (bushel)—dollars	1.69	1.69	5.92	5.81	5.82	4.24
Potatoes (bushel)—do	[3] .697	.717	1.56	1.96	1.87	1.86
Sweetpotatoes (bushel)—do	.878	.807	2.49	2.44	2.46	2.20
Apples (bushel)—do	.96	.90	[4] 3.19	1.91	1.91	2.41
Oranges on tree (box)—do	[5] 2.29	1.11	1.08	1.03	1.00	3.80
Hogs (hundredweight)—do	7.27	8.38	[4] 22.10	19.60	22 90	18.20
Beef cattle (hundredweight)—do	5.42	6.56	[4] 19.30	23.70	24.80	13.60
Veal calves (hundredweight)—do	6.75	7.80	[4] 20.90	25.30	26.00	16.90
Lambs (hundredweight)—do	5.88	7.79	[4] 20.90	23.40	25.00	14.80
Butterfat (pound)—cents	26.3	29.1	63.0	83.6	82.7	[6] 60.5
Milk, wholesale (100 pounds)—dollars	1.60	1.81	[4] 3.67	[4] 4.63	4.61	[6] 3.58
Chickens (pound)—cents	11.4	14.9	27.5	28.5	30.5	28.6
Eggs (dozen)—do	21.5	21.7	41.5	41.5	43.4	[6] 47.5
Wool (pound)—do	18.3	23.8	[4] 41.7	45.6	49.5	45.9

[1] Comparable base price, August 1909–July 1914.
[2] Comparable price computed under the Steagall amendment.
[3] 1919–28 average of $1.12 per bushel used in computing parity.
[4] Revised.
[5] 1919–28 average for computing parity price.
[6] Adjusted for seasonal variation.

Year and month	Industrial production (1935–39 = 100)[1]	Income of industrial workers (1935–39 = 100)[2]	1910–14 = 100					Index of prices received by farmers (August 1909–July 1914 = 100)			
			Average earnings of factory workers	Wholesale prices of all commodities[3]	Prices paid by farmers		Farm wage rates[4]	Livestock and products			
					Commodities	Commodities, interest, and taxes		Dairy products	Poultry and eggs	Meat animals	All livestock
1910–14 average	58	50	100	100	100	100	100	100	101	101	101
1915–19 average	72	90	152	158	151	150	148	148	154	163	158
1920–24 average	75	122	221	160	161	173	178	159	163	123	142
1925–29 average	98	129	232	143	155	168	179	160	155	148	154
1930–34 average	74	78	179	107	122	135	115	105	94	85	93
1935–39 average	100	100	199	118	125	128	118	119	109	119	117
1940–44 average	192	234	325	139	150	147	212	162	146	171	164
1945 average	203	290	403	154	180	172	350	197	196	210	203
1946 average	170	270	391	177	202	193	378	242	198	256	240
1947 average	187	323	[5] 440	222	246	231	408	269	221	340	293
1947											
June	184	319	[5] 441	216	244	230	-------	233	205	338	278
July	176	313	[5] 437	220	244	230	404	244	220	343	286
August	182	324	[5] 438	224	249	234	-------	258	224	349	295
September	187	337	[5] 449	230	253	238	-------	282	246	367	315
October	190	339	[5] 455	231	254	239	404	283	251	360	313
November	192	343	[5] 458	233	257	241	-------	293	242	338	304
December	192	354	[5] 471	238	262	245	-------	311	262	352	320
1948											
January	193	[5] 349	[5] 466	242	266	251	425	313	231	379	328
February	194	[5] 346	[5] 462	235	263	248	-------	307	218	331	300
March	192	352	[5] 466	236	262	247	-------	298	212	342	302
April	[5] 188	-------	[5] 462	238	264	249	420	296	214	347	304
May	[8] 192	-------	-------	239	265	250	-------	291	211	361	309
June	-------	-------	-------	-------	266	251	-------	291	221	390	326

Year and month	Index of prices received by farmers (August 1909–July 1914 = 100)									Parity ratio[6]
	Crops								All crops and livestock	
	Food grains	Feed grains and hay	Tobacco	Cotton	Oil-bearing crops	Fruit	Truck crops	All crops		
1910–14 average	100	101	102	96	98	99	-------	99	100	100
1915–19 average	193	164	187	168	187	125	-------	168	162	106
1920–24 average	147	126	192	189	149	118	[7] 143	160	151	86
1925–29 average	140	119	172	145	129	141	140	143	149	89
1930–34 average	70	76	119	74	72	94	106	86	90	66
1935–39 average	94	95	175	83	106	83	102	97	107	84
1940–44 average	123	119	245	131	159	133	172	143	154	103
1945 average	172	161	366	171	215	220	224	201	202	117
1946 average	201	195	382	228	244	226	204	226	233	121
1947 average	271	246	380	261	335	194	249	261	278	120
1947										
June	253	240	390	275	318	228	215	262	271	118
July	251	253	390	289	314	215	189	263	276	120
August	246	270	383	267	308	177	211	255	276	118
September	278	297	352	252	311	181	179	254	286	120
October	302	284	367	247	344	166	238	261	289	121
November	312	283	354	257	349	151	272	268	287	119
December	318	305	377	275	367	149	294	281	301	123
1948										
January	322	318	377	267	377	135	320	284	307	122
February	251	261	374	248	333	136	320	257	279	112
March	260	284	372	256	339	140	295	262	283	115
April	268	291	371	275	351	142	340	276	291	117
May	261	282	370	284	357	141	262	267	289	116
June	249	278	370	284	364	155	213	261	295	118

[1] Federal Reserve Board represents output of mining and manufacturing; monthly data adjusted for seasonal variation.

[2] Computed from data furnished by Bureau of Labor Statistics and Interstate Commerce Commission on pay rolls in mining, manufacturing, and transportation; monthly data adjusted for seasonal variation. Revised April 1947.

[3] Bureau of Labor Statistics.

[4] Monthly data adjusted for seasonal variation.

[5] Revised.

[6] Ratio of prices received to prices paid for commodities, interest, and taxes.

[7] 1924 only.

[8] Preliminary.

Outlook Highlights

(Continued from p. 2)

Mid-June turkey and chicken prices were a record for the month. Little change is expected for chickens but a new high is in prospect for turkey prices during the fall and winter holidays.

Prices for poultry and eggs now average less above 1947 or prewar than any other livestock or livestock product.

Wheat prices, now close to the loan level, may average above the loan level in 1948–49. The national average loan rate to farmers is $2.00 per bushel compared with $1.84 last year. The new loan rate for No. 2 Hard Winter at Kansas City is $2.23; for No. 1 Dark Northern at Minneapolis, $2.25.

Citizens of some European countries may be able to buy bread without ration coupons in 1948–49. Reports received by the Office of Foreign Agricultural Relations in June indicated that the European wheat and rye crops will be larger than in 1946 or 1947 but about 15 percent below prewar.

Europeans still will need to import large amounts of bread grains, and many areas have no prospect of unrationed bread. Reserves of all foods are low and grains have been substituted for products in shorter supply. The population has increased. Prewar trade channels have been changed greatly.

Bread-grain crops in ERP countries will be only about 5 percent below the prewar average, prospects indicate. Before the war, however, these nations were larger importers of wheat and rye, and, with postwar shifts in population their import needs are even greater.

AMERICAN COTTON faces increasing competition in the European market, according to a survey made under the Research and Marketing Act. Western European cotton mills have been using an increasing amount of American cotton since the end of the war but much of this was made with U. S. credits and loans. Under the European Recovery Program, it has been estimated that 2 to 2.5 million bales may move to Western Europe in 1948–49 compared with the 1934–48 average of 2.8 million.

U. S. cotton may hold the European market so long as assistance programs are in operation, the report says. After these programs end, the place of U. S. cotton will be determined by such factors as the supply and price of foreign cotton, the degree to which the synthetic fiber industry is restored in Europe and the ability of European countries to pay for imports in general and imports from the United States in particular.

WHEN FLUE-CURED tobacco marketings begin late this month, demand will be bolstered by the improved outlook for exports and high cigarette consumption. Price supports for the crop will be about 9 percent above last year.

Cigarette production from July 1, 1947 to July 1, 1948, probably totaled just under 375 billion, about 14 billion above the previous fiscal year. For the same period, cigar consumption is estimated to be about 5.7 billion—almost the same as a year earlier.

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